

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-12480 (JTD)

(Jointly Administered)

**Re: Dkt. 577**

**DECLARATION OF STEVE BELFORD IN SUPPORT OF THE AMENDED  
OBJECTION OF SW 17TH STREET 1010, LLC, NIAGARA FALLS 778, LLC, RODI  
ROAD 501, LLC, AND MERCHANT 33, LLC TO THE MOTION OF DEBTORS FOR  
ENTRY OF ORDER (A) APPROVING THE PRIVATE SALE OF CERTAIN OF  
DEBTORS' ASSETS FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES,  
WITH SUCH INTERESTS TO ATTACH TO THE PROCEEDS,  
AND (B) GRANTING RELATED RELIEF**

I, Steve Belford, declare as follows:

1. I am the managing member of SW 17<sup>th</sup> Street 1010, LLC, Niagara Falls 778, LLC, Rodi Road 501, LLC, and Merchant 33, LLC (collectively, the "Landlords"), and I am authorized

---

<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

to execute this Declaration on behalf of the Landlords. If called to testify, I could and would competently testify to the facts set forth herein based on my personal knowledge of those facts, events, and transactions.

2. Attached hereto as **Exhibit A** is a true and correct copy of the lease between SW 17<sup>th</sup> Street 1010, LLC and the Debtors in connection with the Debtors' lease for the premises at 101 SW 17<sup>th</sup> Street, Ocala, Florida (the "Ocala Lease").

3. Attached hereto as **Exhibit B** is a true and correct copy of the lease between SW Niagara Falls 778, LLC and the Debtors in connection with the Debtors' lease for the premises at 778 Niagara Falls Boulevard, North Tonawanda, New York (the "Niagara Lease").

4. Attached hereto as **Exhibit C** is a true and correct copy of the lease between SW Rodi Road 501, LLC and the Debtors in connection with the Debtors' lease for the premises at 503 Rodi Road, Pittsburgh, Pennsylvania (the "Pittsburgh Lease").

5. Attached hereto as **Exhibit D** is a true and correct copy of the lease between Merchant 33, LLC and the Debtors in connection with the Debtors' lease for the premises at 4515 Merchant Road, Ft. Wayne, Indiana (the "Ft. Wayne Lease", and collectively with the Ocala Lease, the Niagara Lease, and the Pittsburgh Lease, the "Leases").

6. The Leases are considered triple-net leases, where the Debtors were responsible for the operating costs of the properties, including but not limited to the costs associated with the maintenance, repair, and replacement of the building and structures; the real estate taxes and assessments; and insurance.

7. Based upon my review of the Landlords' books and records pertinent to the Debtors' accounts regarding the leases referenced above, the Debtors have failed to pay all amounts due under the Leases. The amounts due under the Leases are as follows:

Property Address	Lessor	Lessor Cure Amount
<b>1010 SW 17<sup>th</sup> Street, Ocala, FL</b>	SW 17 <sup>th</sup> Street 1010, LLC	\$37,655.64
<b>778 Niagara Falls Boulevard, North Tonawanda, NY</b>	Niagara Falls 778, LLC	\$520,035
<b>503 Rodi Road, Pittsburgh, PA</b>	Rodi Road 501, LLC	\$TBD
<b>4515 Merchant Road, Ft. Wayne, IN</b>	Merchant 33, LLC	\$TBD

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: January 17, 2025

/s/Steve Belford  
 Steve Belford  
 Managing Member  
 SW 17th Street 1010, LLC, Niagara Falls  
 778, LLC, Rodi Road 501, LLC, and  
 Merchant 33, LLC